

Michaud Urges New Direction for WTO Trade Talks

Wednesday, November 18 2009

Asks Administration to Reconsider Trade Policy

WASHINGTON, DC – Today, Rep. Mike Michaud joined fellow House Trade Working Group members Rep. Louise Slaughter (D-NY), Marcy Kaptur (D-OH), and Betty Sutton (D-OH) to strongly urge a new direction in United States trade policy ahead of the WTO Ministerial Conference in Geneva on November 30th. Each stressed their support of H.R. 3012, the TRADE Act, and H.R. 3786, the Reciprocal Market Access Act to ensure opportunities for American workers looking for jobs as the country recovers from the worst economic recession since the Great Depression. Summaries of both bills are attached. Audio of the press conference is available [here](#) , and Michaud's remarks can be found at approximately 5 minutes 20 seconds.

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“On the eve of the WTO ministerial meeting, we have a tremendous opportunity to help reshape the WTO, and move the United States towards a new trade policy,” said Slaughter. “It is my hope that President Obama returns from his eight days in Asia with a better understanding of the need for American workers and companies to have opportunities there. We can not continue to simply open up our markets to their goods when the deck is stacked against our workers. Even our trading partners are astonished the United States has allowed this hemorrhaging of jobs to occur without even making a peep.”

“Those of us in Congress who have supported reforming our trade policies believe the current DOHA Round framework is bad for the United States,” said Michaud, Chair of the House Trade Working Group. “Instead of expanding the WTO model and its proven damage further, we need to turn around this agenda and make trade work again for all nations. Almost half of the entire Democratic Caucus has co-sponsored the TRADE Act, which explicitly calls for WTO renegotiation. We stand ready to work with the Administration to deliver on its promise of a change agenda at the WTO.”

“The deterioration in our nation's trade accounts parallels the decline in our economy,” said Kaptur. “We have not had balance in our trade accounts since 1973. It is not a coincidence that the rise in the trade deficit mirrors the loss of manufacturing jobs.”

“As the U.S. prepares to attend the WTO Ministerial, we want to let President Obama know that we are ready to work with him to fulfill the promise we made to our constituents and the American people to develop a new model for trade instead of continuing the status quo,” Sutton said. “As we strive to climb out of this recession and into an economy that will work for ordinary Americans once again, we must have the courage to fix our broken trading system, not expand the reach of the WTO.”

A photo of the event is attached. From left to right: Rep. Slaughter, Rep. Michaud, Rep. Sutton.

H.R. 3012, TRADE Act

The bill requires the Government Accountability Office (GAO) to conduct a comprehensive review of the major trade pacts that comprise the model on which U.S. trade agreements have been based, such as NAFTA, WTO, Jordan, and CAFTA. The GAO must also report on how the current pacts measure up to the bill's criteria with respect to what must and must not be included in trade pacts.

The bill spells out what should be in trade agreements including standards on: labor, environment, food and product safety, agriculture, human rights, currency anti-manipulation rules, national security, procurement, investment

The bill also lists issues that should NOT be in trade agreements including: bans on Buy America, bans on anti-sweatshop rules, new rights for foreign investors to promote off-shoring, service sector privatization and deregulation requirements, special protections for pharmaceutical companies that limit affordable access to drugs.

Renegotiation: Require the president to submit renegotiation plans for current trade pacts prior to negotiating new agreements and prior to congressional consideration of pending agreements.

Establishes a Super Committee: The bill establishes a special congressional super committee chaired by the Ways and Means and Finance Committee chairs to work with the President on formulating this plan. The super committee also includes a role for the chairs and ranking members of other committees whose core jurisdiction is directly affected by today's expansive trade pacts.

Replacing Fast Track: The bill lays out criteria for a new mechanism to replace the anti-democratic Fast Track negotiating process. To obtain agreements that benefit a wider array of interests, this new process includes Congress setting readiness criteria to select future negotiating partners; mandatory negotiating objectives based on the bill's criteria of what must be and must not be in future trade pacts; and the requirements that Congress must certify that the objectives were met, and then vote on an agreement before it can be signed.

H.R. 3786, Reciprocal Market Access Act

The legislation is designed to ensure that our trade negotiations achieve real and meaningful market access for our producers.

Authority to receive or eliminate tariffs in trade agreements is tied to achieving meaningful market access for U.S. domestic producers that have identified and worked with the U.S. government to address those barriers.

To better ensure meaningful market access, the bill requires that the President provide a certification to the Congress in advance of agreeing to a modification of any existing duty on any product, that sectoral reciprocal market access has been obtained.

This will enhance the partnership with Congress and achieve reciprocal market access.

It gives the government the automatic negotiated right to revoke concessions to cut tariffs if our trading partners don't implement the commitments they made to open up their markets.

This authority, known as “snap back” authority, could be triggered by a private sector or Congressional request. The goal – and the result – will be reciprocal market access for our nation’s products.

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